



## **Oklahoma County Employees Retirement System**

### **Summary of Actuarial Valuation as of June 30, 2022**

September 26, 2022 Retirement Board Meeting

Daniel L. Homan, Principal





# Presentation Agenda

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# Census Data



## Participant Counts as of July 1,

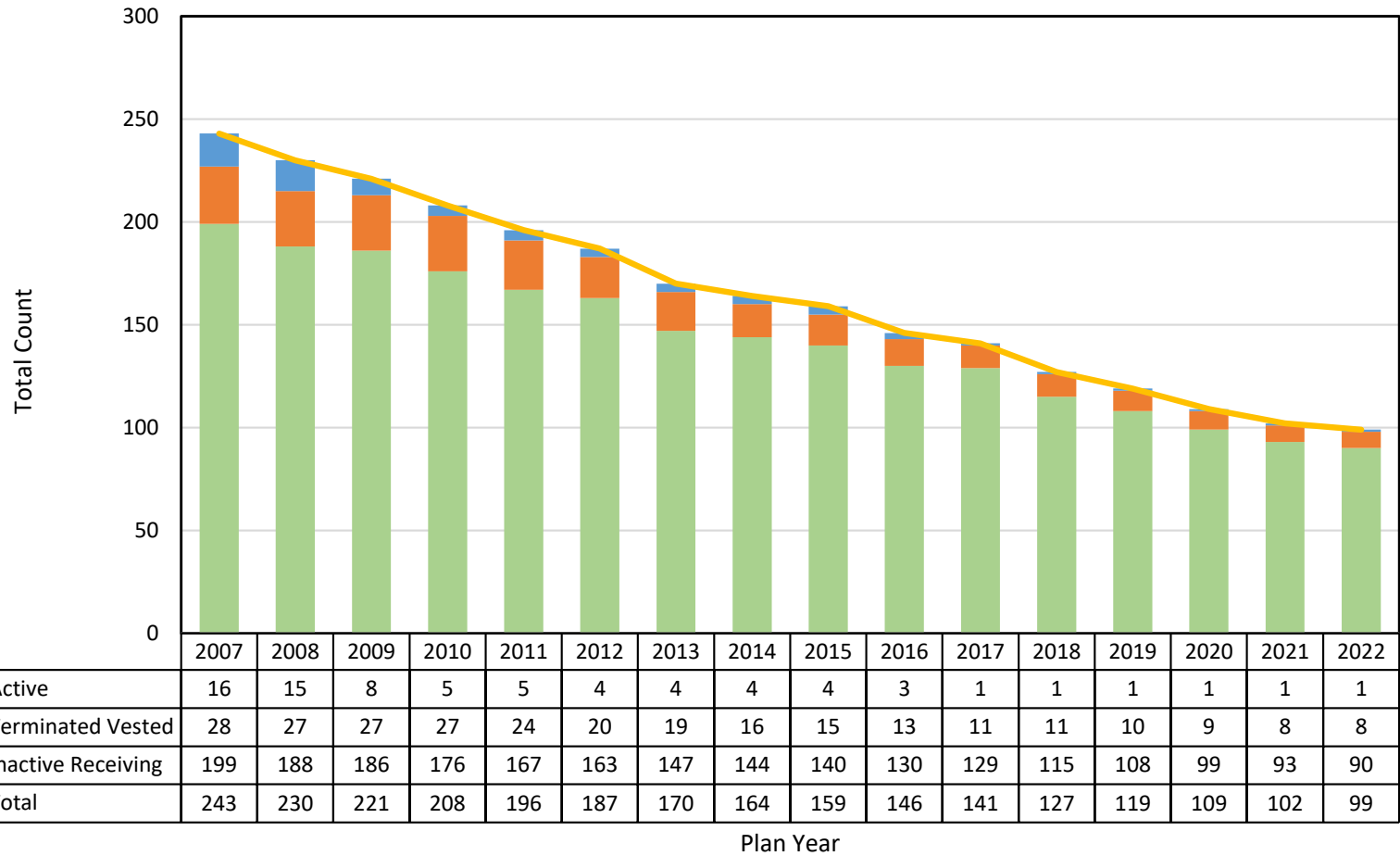
	2022	2021	2020	2019	2018	2017
➤ Actives	1	1	1	1	1	1
➤ Terminated Vested	8	8	9	10	11	11
➤ Retirees	56	57	61	66	73	82
➤ Beneficiaries	<u>34</u>	<u>36</u>	<u>38</u>	<u>42</u>	<u>42</u>	<u>47</u>
➤ Total	99	102	109	119	127	141
➤ Net change year-over-year		-3	-7	-10	-8	-14

Detailed changes during the 2021-2022 plan year:

- 1 Retiree deaths during the year who had a beneficiary
- 3 Beneficiary deaths during the year
- This has been the lowest death experience year in at least 7 years



## Historical Participant Counts





## Participant Statistics as of July 1,

	2022	2021	2020	2019	2018	2017
<b>Actives</b>						
➤ Average age	58.6	57.6	56.6	55.6	54.6	53.6
➤ Average service	39.5	38.5	37.5	36.5	35.5	34.5
➤ Average pay	\$92,075	\$86,732	\$83,397	\$80,869	\$79,380	\$78,840
<b>Terminated Vested</b>						
➤ Average age	62.4	61.4	60.5	59.8	59.1	58.1
➤ Average monthly benefit	\$444	\$444	\$461	\$441	\$458	\$458
<b>Retirees</b>						
➤ Average age	76.4	75.6	75.8	76.0	76.6	77.5
➤ Average monthly benefit	\$1,281	\$1,286	\$1,309	\$1,306	\$1,295	\$1,308
<b>Beneficiaries</b>						
➤ Average age	82.3	82.3	82.2	83.4	82.7	82.4
➤ Average monthly benefit	\$894	\$909	\$943	\$960	\$937	\$881



# Census Data

## Inactive Attained Age and Average Benefit Scatter as of July 1, 2022

Attained Age	<u>Retirees and Beneficiaries</u>		<u>Terminated Vested Participants</u>	
	Count	Average Monthly Benefit	Count	Average Monthly Benefit
Under 35	0	\$0	0	\$0
35 to 39	0	\$0	0	\$0
40 to 44	0	\$0	0	\$0
45 to 49	0	\$0	0	\$0
50 to 54	0	\$0	0	\$0
55 to 59	2	\$3,195	2	\$585
60 to 64	6	\$2,112	4	\$424
65 to 69	13	\$1,094	2	\$344
70 to 74	12	\$927	0	\$0
75 to 79	12	\$914	0	\$0
80 to 84	15	\$1,321	0	\$0
85 to 89	18	\$810	0	\$0
90 to 94	8	\$1,031	0	\$0
95+	4	\$1,023	0	\$0
Total	90	\$1,135	8	\$444



The background of the slide features a complex pattern of overlapping, light gray architectural lines that create a sense of depth and perspective, resembling a modern building's facade. A large, dark teal square is positioned in the center-left of the slide, serving as a backdrop for the main title. The number '2' is prominently displayed in white, bold font within this teal area.

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## Plan Assets



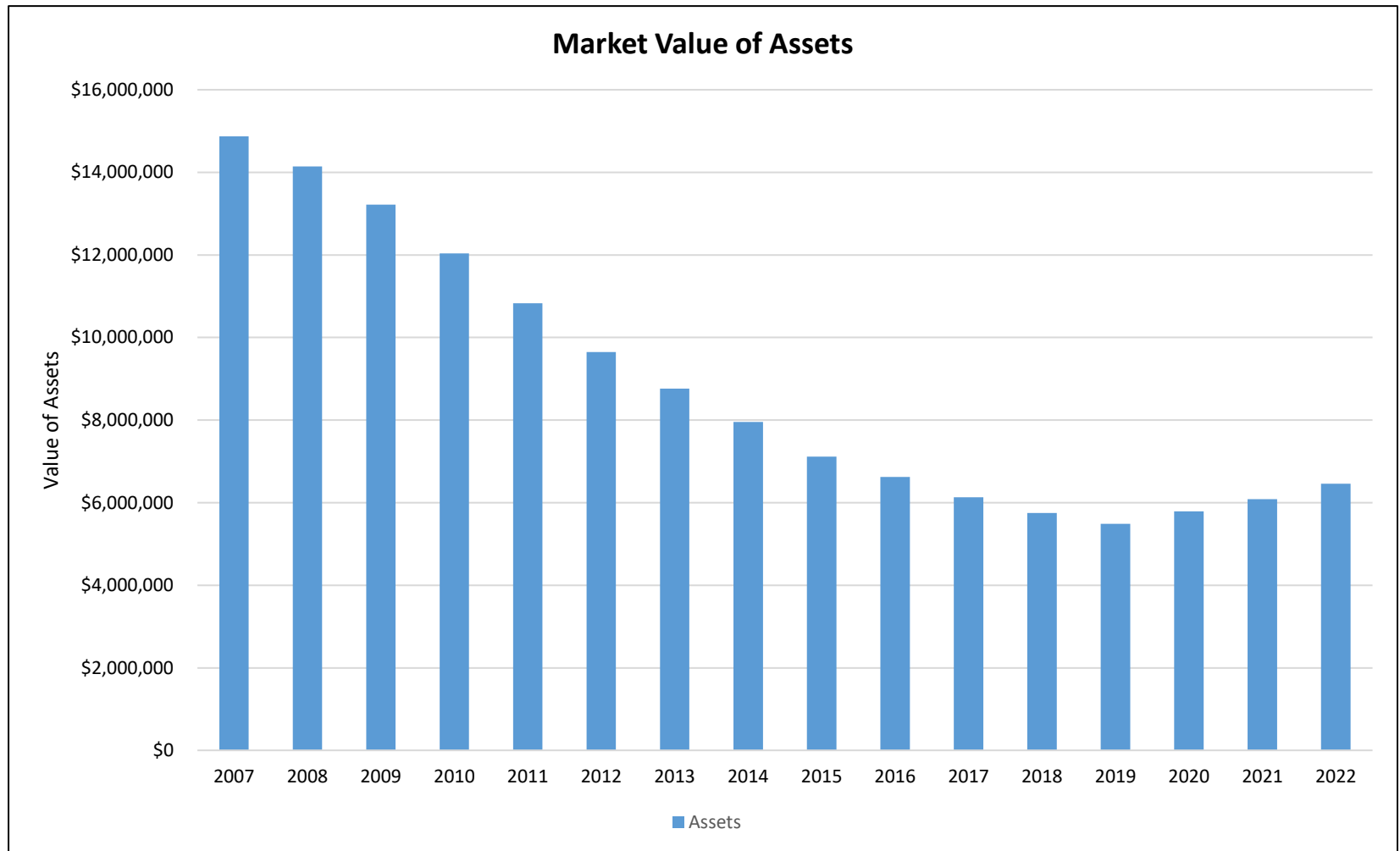


## Plan Assets

- The expected return on assets needs to be based on the investments held by in plan
  - Prior to the 7/2018 valuation, the expected rate of return was 5.75%
  - For the 7/2018 to 7/2020 valuations, the expected rate of return was 2.25%
  - For the 7/2021 and 7/2022 valuations, the expected rate of return was 2.75%
- Historical asset information is shown on the next few pages

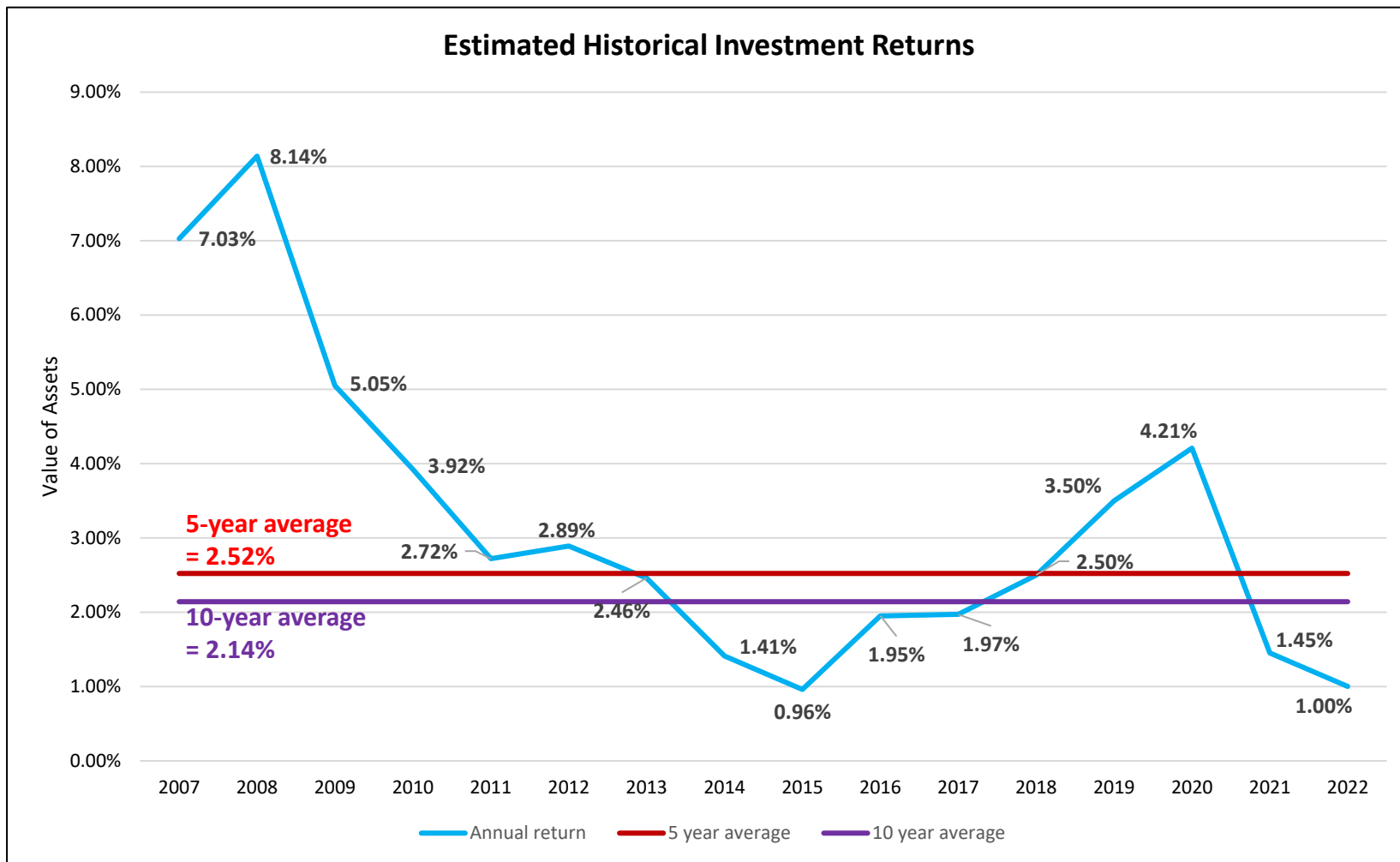


# Plan Assets





# Plan Assets

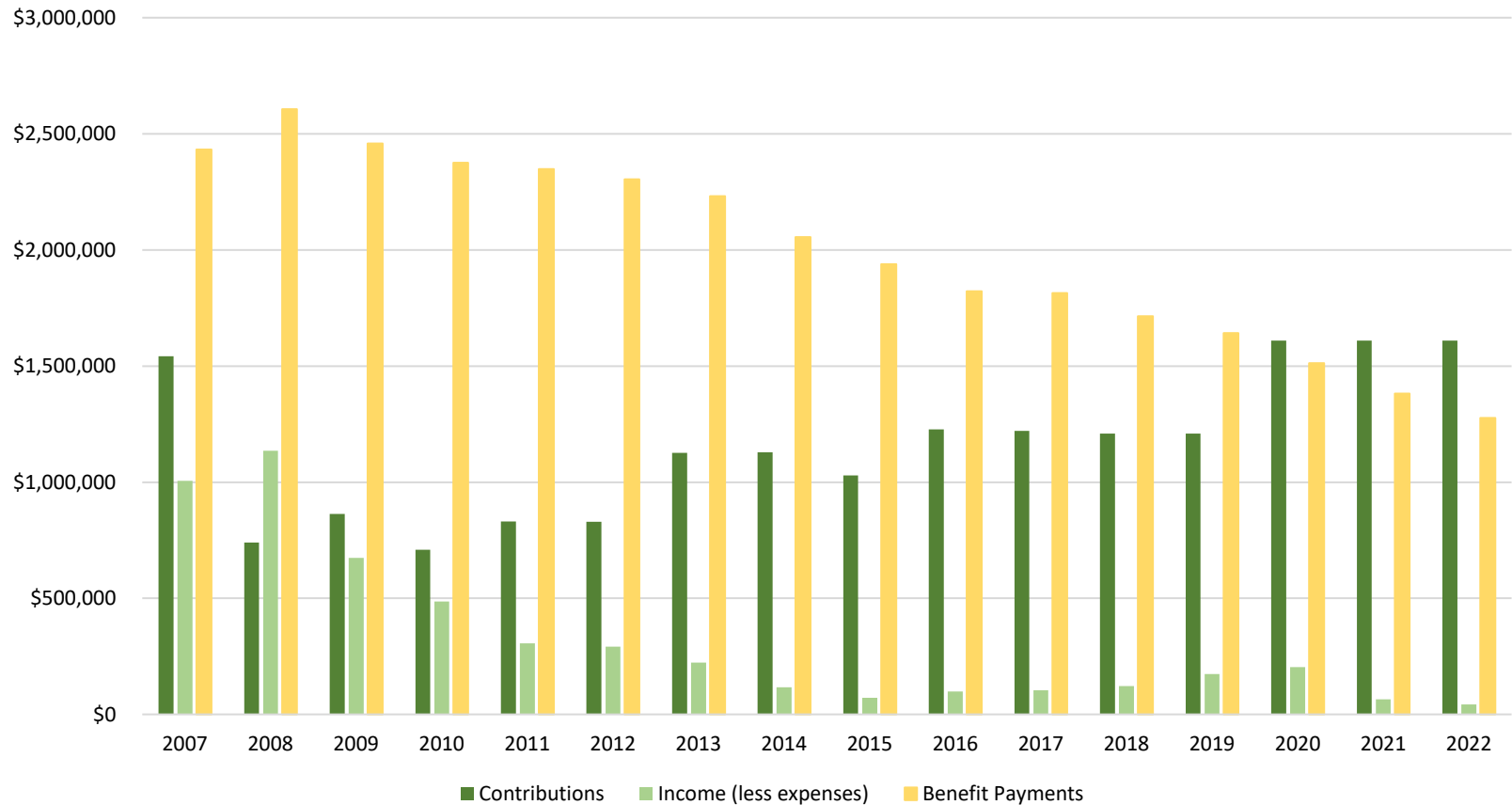


5-year average  
= 2.72%



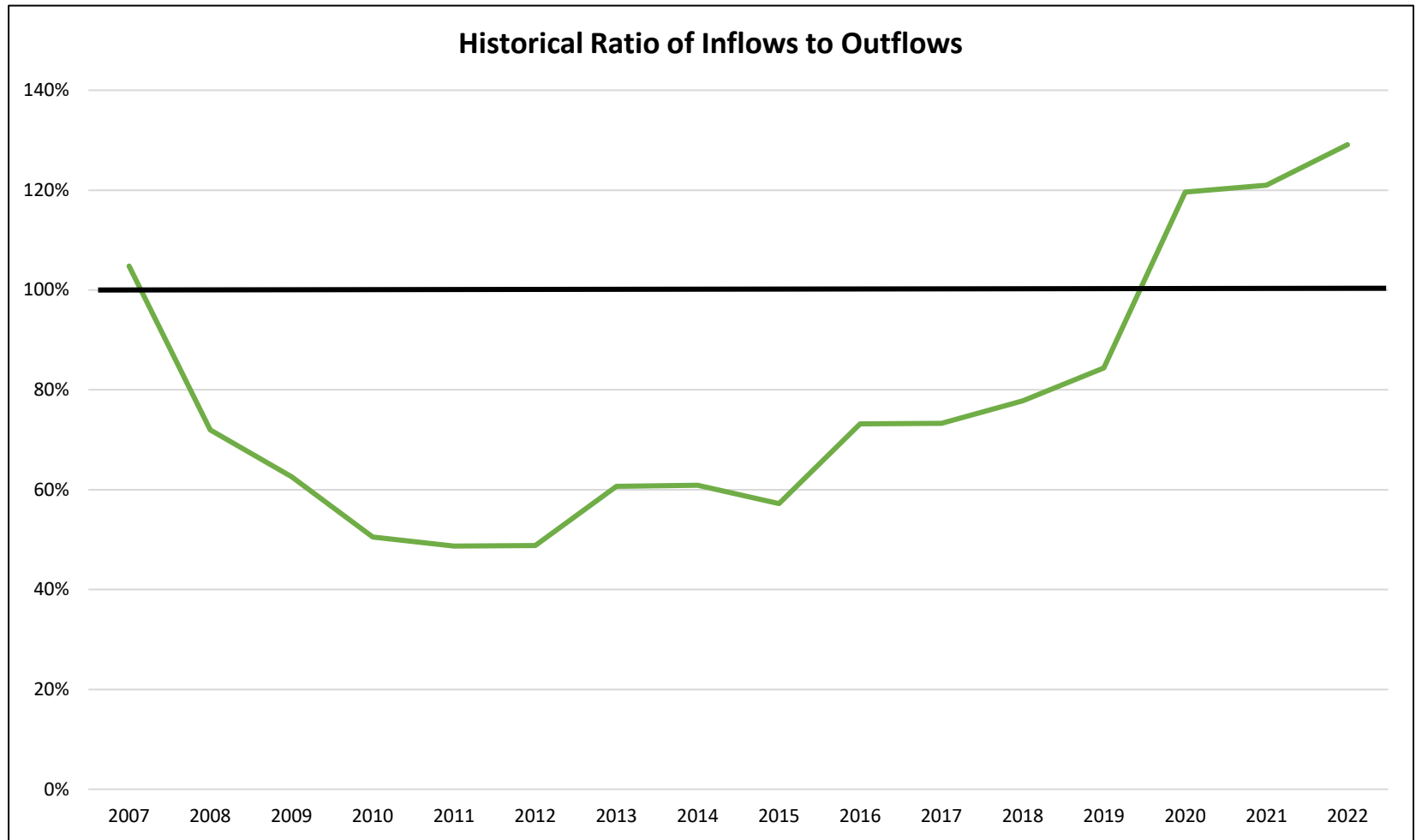
# Plan Assets

## Historical Asset Inflows and Outflows





# Plan Assets



Less than 100% = outflows exceed inflows (negative cash flow)

Greater than 100% = inflows exceed outflows (positive cash flow)

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## Plan Liabilities



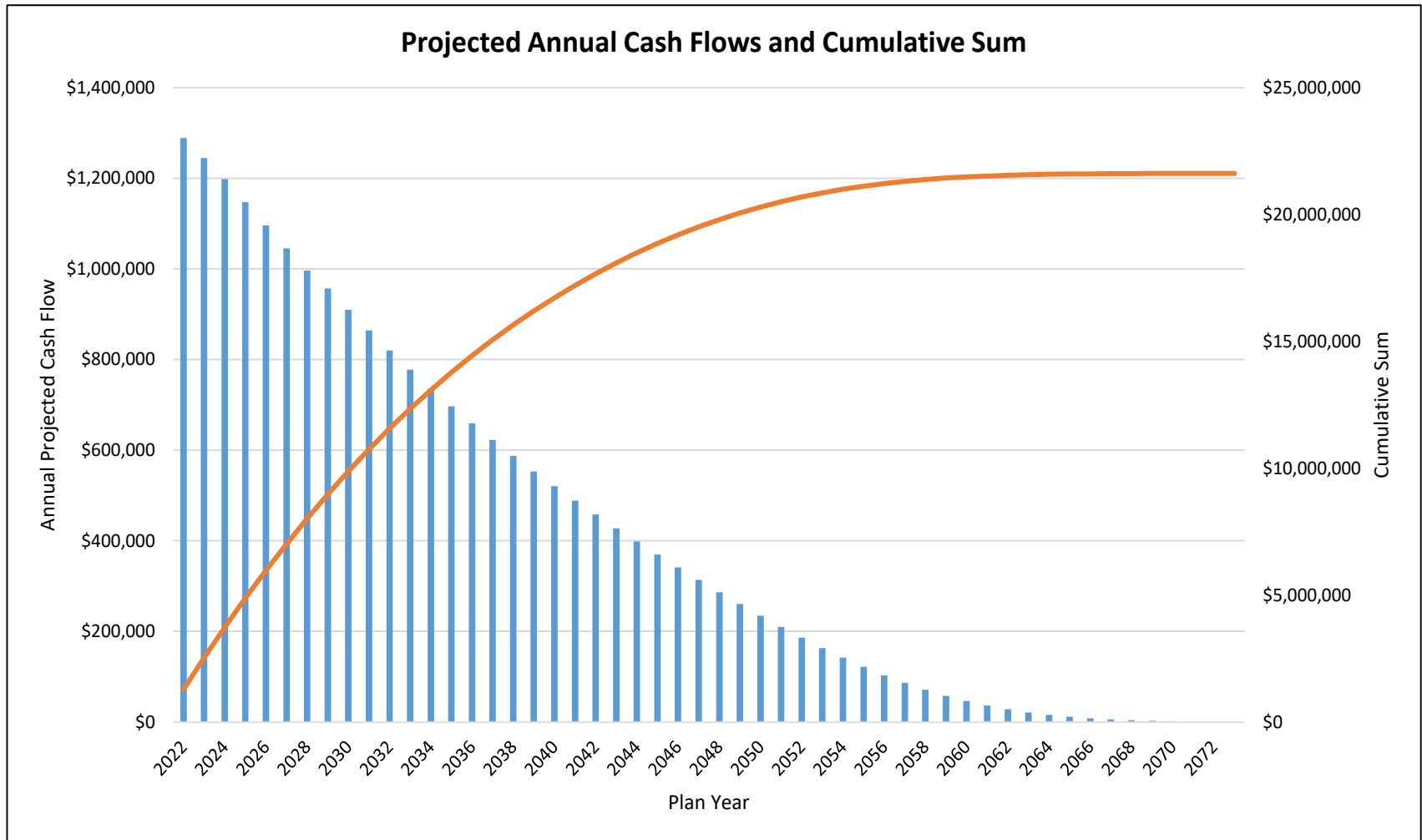
## Plan Liabilities

- Discount rate was increased from 2.25% to 2.75% for 7/2021
  - For the 7/2021 and 7/2022 valuations, the current assets and anticipated future returns and contributions are assumed to be sufficient to cover all future cash flows
  - Therefore, the discount rate is based 100% on the expected rate of return of 2.75%



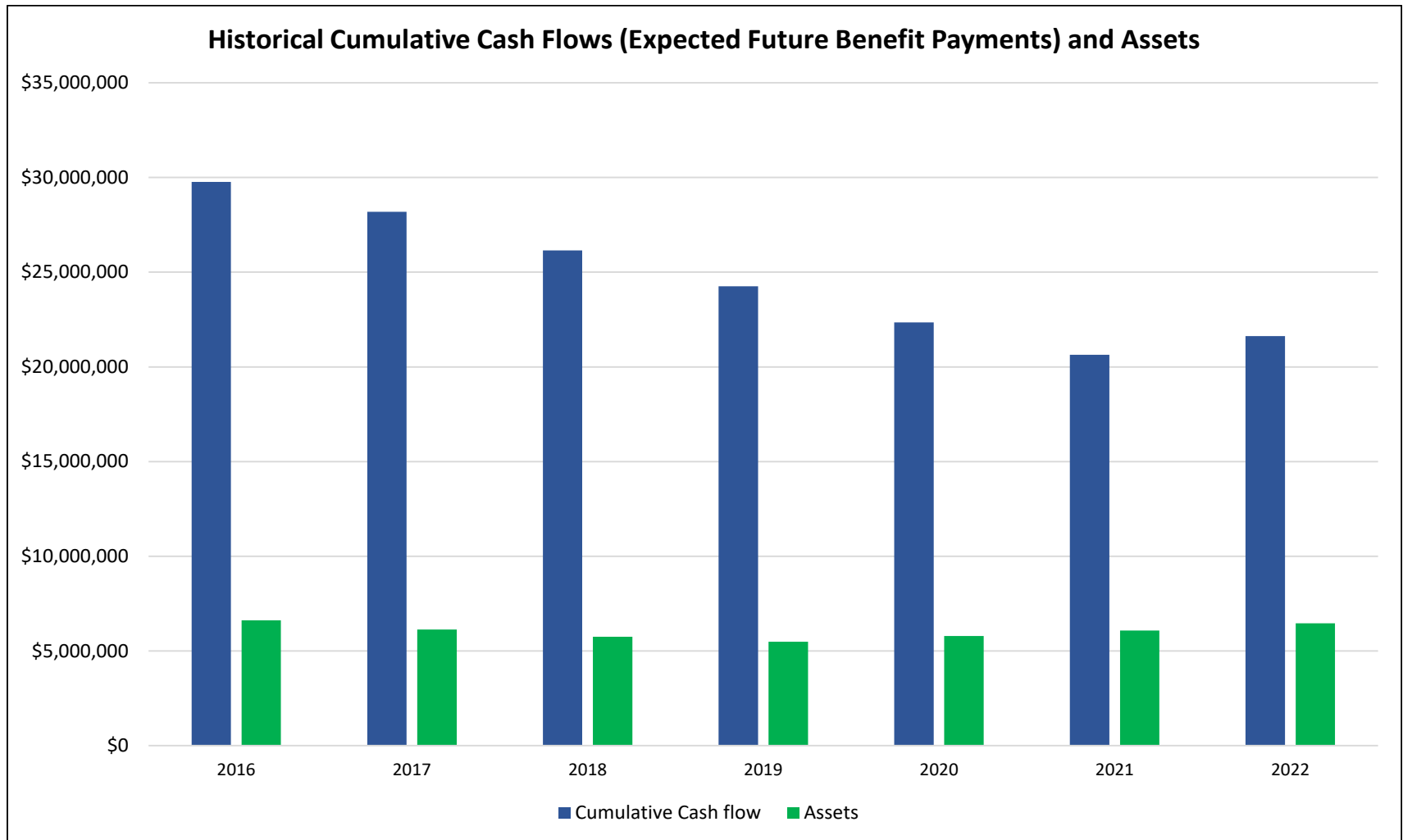


# Plan Liabilities



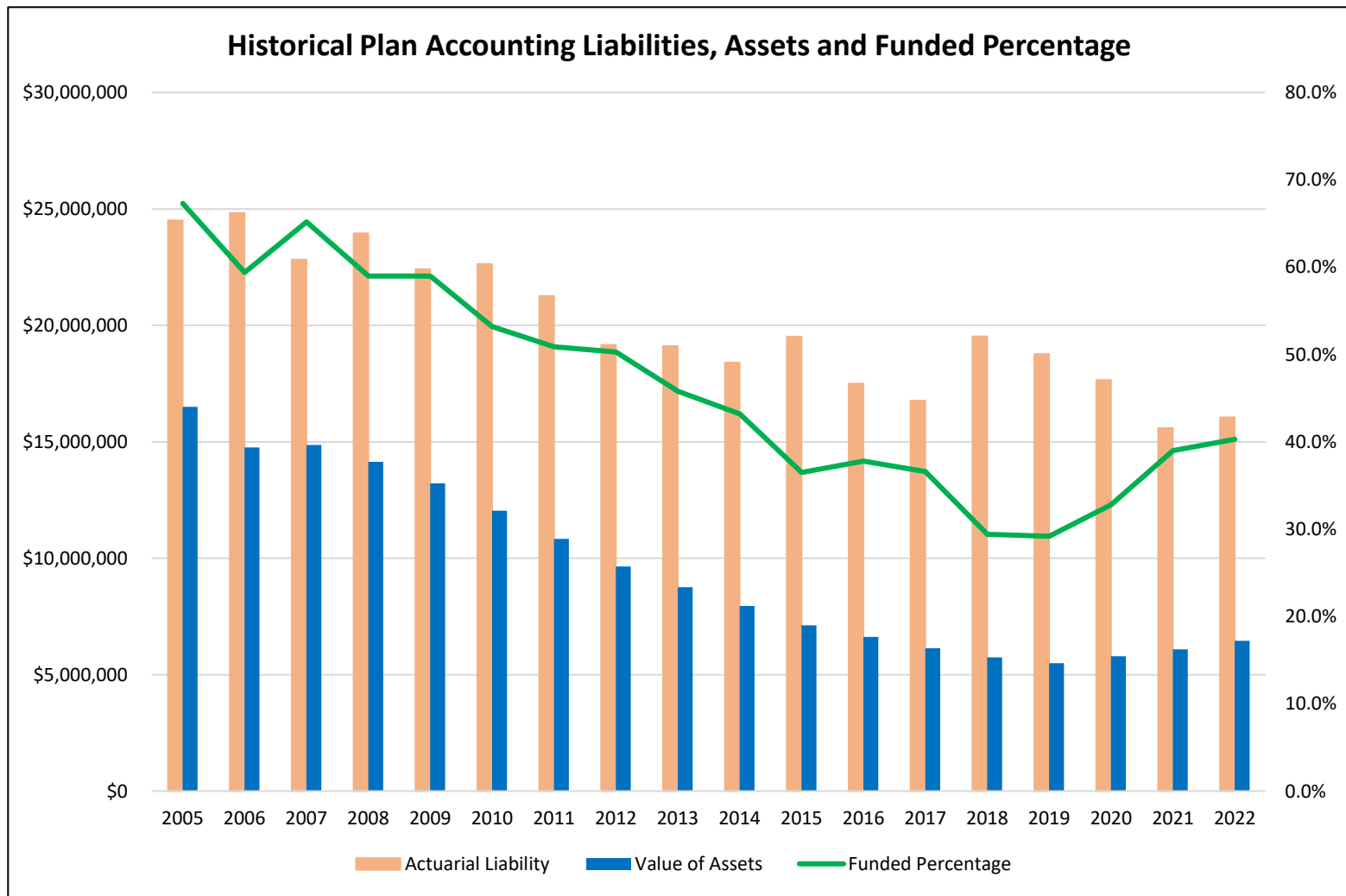


# Plan Liabilities





# Plan Liabilities



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## Valuation Results Summary



## Valuation Results Summary

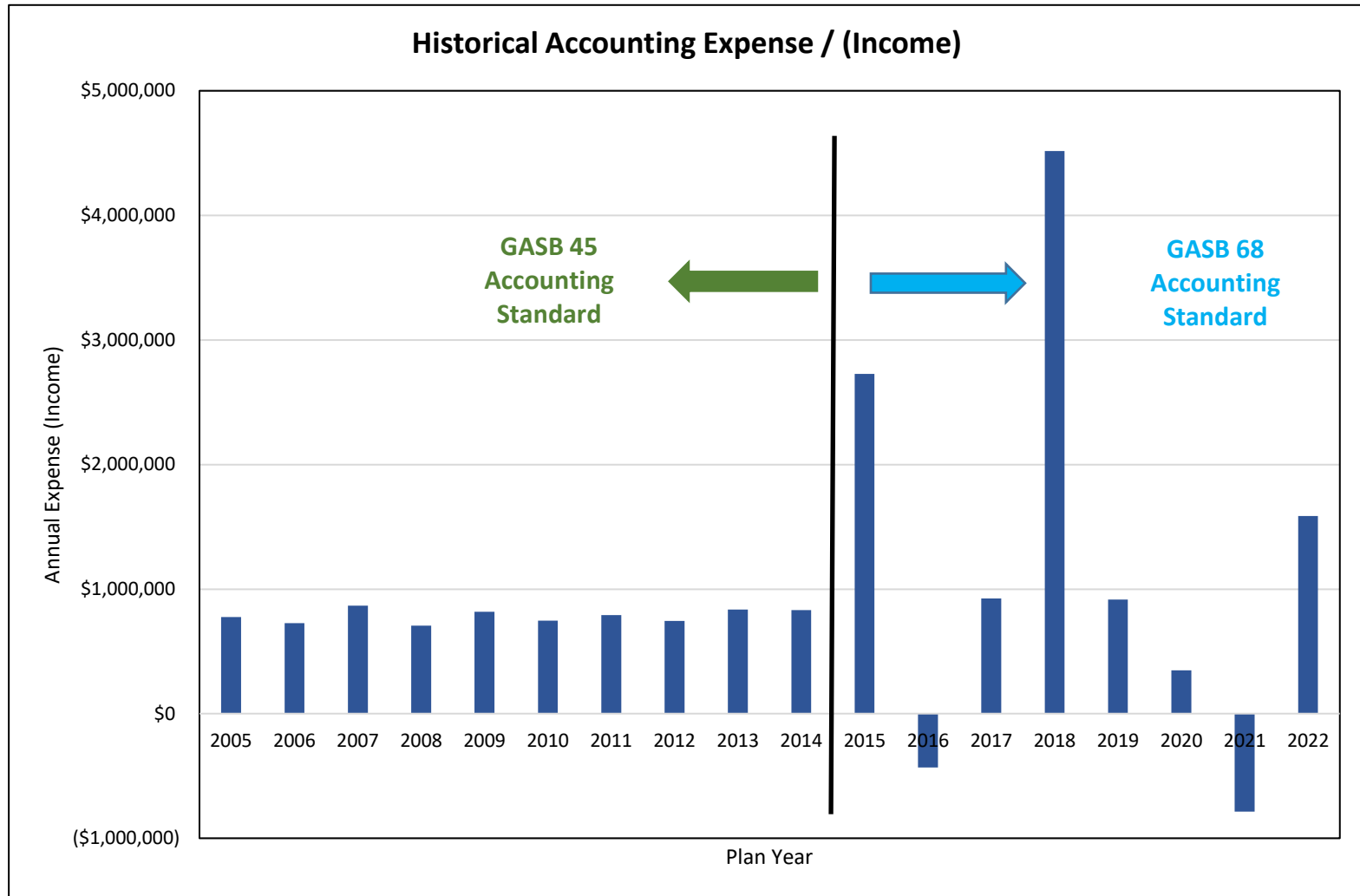
### Accounting Results (GASB 68) as of July 1,

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
➤ Plan Liabilities	\$16,051	\$15,587	\$17,657	\$18,771	\$19,527	\$16,771
➤ Plan Assets	\$6,461	\$6,084	\$5,791	\$5,490	\$5,750	\$6,133
➤ Unfunded Liability	\$9,589	\$9,503	\$11,867	\$13,280	\$13,777	\$10,638
➤ Pension Expense/(Income)	\$1,587	(\$785)	\$349	\$917	\$4,515	\$925
➤ Funded Percentage	40.25%	39.03%	32.79%	29.25%	29.45%	36.57%
➤ Discount Rate	2.75%	2.75%	2.25%	2.44%	2.76%	5.38%

(All dollar figures in \$1,000)



# Valuation Results Summary





## Valuation Results Summary

### Funding Results as of July 1,

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
➤ Plan Liabilities	\$16,051	\$15,587	\$17,657	\$19,116	\$20,512	\$16,304
➤ Plan Assets	\$6,461	\$6,084	\$5,791	\$5,490	\$5,750	\$6,133
➤ Unfunded Liability	\$9,589	\$9,503	\$11,867	\$13,625	\$14,762	\$10,171
➤ Recommended Contribution	\$807	\$799	\$958	\$1,096	\$1,187	\$1,068
➤ Amortization Period	15	15	15	15	15	15
➤ Discount Rate	2.75%	2.75%	2.25%	2.25%	2.25%	5.75%

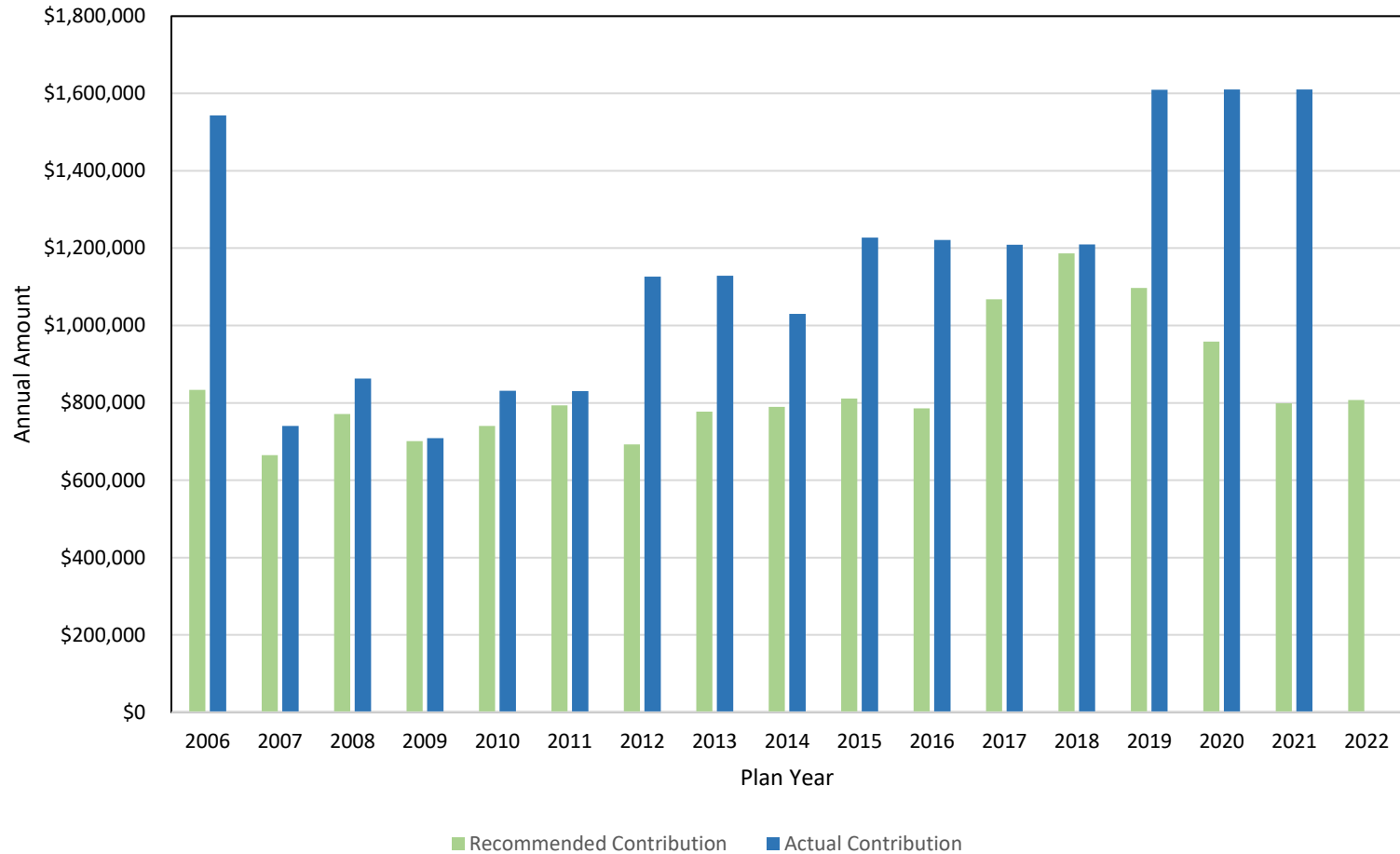
(All dollar figures in \$1,000)





# Valuation Results Summary

**Historical Recommended Contribution and Actual Contributions**





Questions?